

Blackstone Property Partners Europe Holdings SARL

Real Estate Management Luxembourg

ESG Risk Rating

15.1

Updated Nov 4, 2022

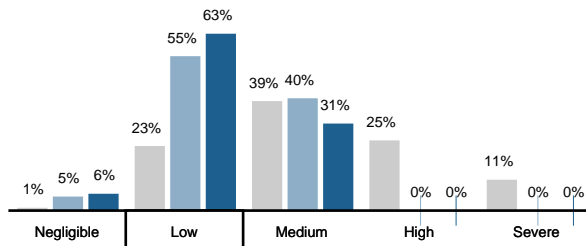
Not
available

Momentum

Low Risk



ESG Risk Rating Distribution



ESG Risk Rating Ranking

UNIVERSE	RANK	PERCENTILE
	(1 st = lowest risk)	(1 st = Top Score)
Global Universe	1420/15058	10th
Real Estate INDUSTRY	285/1045	28th
Real Estate Management SUBINDUSTRY	57/155	37th

Peers Table

Peers (Market cap \$0.0 - \$0.0bn)

Peers (Market cap \$0.0 - \$0.0bn)	Exposure	Management	ESG Risk Rating
1. Canary Wharf Group Investment Holdings plc	24.0 Low	45.8 Average	13.2 Low
2. Hemsö Fastighets AB	22.0 Low	38.9 Average	13.6 Low
3. Blackstone Property Partners Europe Holdings SARL	23.8 Low	37.5 Average	15.1 Low
4. Orbit Capital Plc	23.8 Low	36.5 Average	15.3 Low
5. ARCO BPS Holdings Ltd.	24.0 Low	36.6 Average	15.4 Low

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ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. The exposure score takes into consideration subindustry and company-specific factors such as its business model.

ESG Risk Exposure

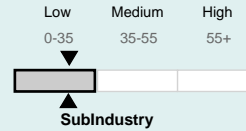
23.8

Not available

Low

Momentum

Beta = 0.99



The company focuses on acquiring, managing and leasing primarily logistics and residential real estate, across Europe. In the context of increasingly stringent environmental regulations and growing customer awareness of climate change, failure to effectively manage the carbon footprint of its portfolio (793 assets, spanning 6.2 million square meters, as of year-end 2021), could negatively affect portfolio performance. Additionally, BPPEH's competitiveness relies greatly on its ability to attract and retain professionals, who are able to skillfully select land and properties, manage building-related risks, provide a high standard of maintenance, and handle complaints and services for tenants. Moreover, building safety features represent a key consideration for existing and prospective tenants. As such, subpar products may cause accidents, damaging customers' goods or injuring workers.

The company's overall exposure is low and is similar to subindustry average. Product Governance, Human Capital and ESG Integration -Financials are notable material ESG issues.

Management refers to how well a company is managing its relevant ESG issues. The management score assesses the robustness of a company's ESG programs, practices, and policies.

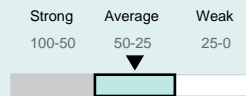
ESG Risk Management

37.5

Not available

Average

Momentum



The company's overall ESG-related disclosure is not in accordance with GRI reporting standards, lagging behind best practice. Nonetheless, there is a chief sustainability officer in charge of ESG-related issues, suggesting that these are integrated in its core business strategy.

The company's overall management of material ESG issues is average.

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Material ESG Issues

These are the Material ESG Issues driving the ESG Risk Rating.

Issue Name	ESG Risk Exposure Score Category	ESG Risk Management Score Category	ESG Risk Rating Score Category	Contribution to ESG Risk Rating
ESG Integration -Financials	6.0 Medium	28.5 Average	4.3 Medium	28.5%
Human Capital	5.0 Medium	37.9 Average	3.2 Low	21.3%
Product Governance	3.8 Low	20.0 Weak	3.0 Low	20.2%
Corporate Governance	5.0 Medium	42.0 Average	2.9 Low	19.3%
Business Ethics	4.0 Medium	62.5 Strong	1.6 Negligible	10.8%
Overall	23.8 Low	37.5 Average	15.1 Low	100.0%

Events Overview

Identify events that may negatively impact stakeholders, the environment, or the company's operations.

Category (Events)

5 Severe (0)

4 High (0)

3 Significant (0)

2 Moderate (0)

1 Low (0)

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Events Overview

Identify events that may negatively impact stakeholders, the environment, or the company's operations.

Category (Events)

None (13)

Accounting and Taxation

Anti-Competitive Practices

Bribery and Corruption

Business Ethics

Carbon Impact of Products

Environmental Impact of Products

Labour Relations

Lobbying and Public Policy

Marketing Practices

Quality and Safety

Sanctions

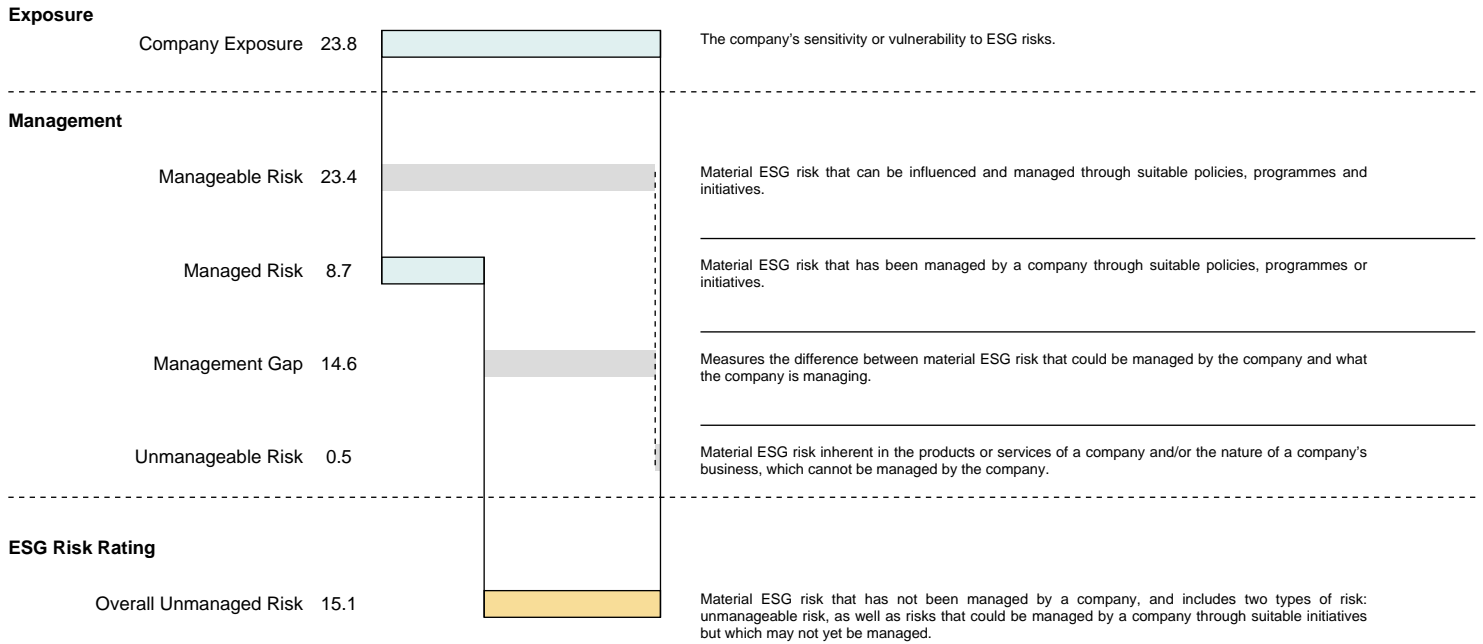
Social Impact of Products

Society - Human Rights

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Risk Decomposition



Momentum Details

Not available due to a lack of comparable historical information.

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GLOSSARY OF TERMS

Beta (Beta, β)

A factor that assesses the degree to which a company's exposure deviates from its **subindustry's** exposure on a **material ESG issue**. It is used to derive a company-specific issue exposure score for a material ESG issue. It ranges from 0 to 10, with 0 indicating no exposure, 1 indicating the subindustry average, and 10 indicating exposure that is ten times the subindustry average.

Corporate Governance Pillar

A pillar provides a signal about a company's management of a specific Corporate Governance issue.

ESG Risk Category

Companies' **ESG Risk Rating scores** are assigned to five ESG risk categories in the **ESG Risk Rating**:

-  **Negligible risk:** enterprise value is considered to have a negligible risk of material financial impacts driven by ESG factors
-  **Low risk:** enterprise value is considered to have a low risk of material financial impacts driven by ESG factors
-  **Medium risk:** enterprise value is considered to have a medium risk of material financial impacts driven by ESG factors
-  **High risk:** enterprise value is considered to have a high risk of material financial impacts driven by ESG factors
-  **Severe risk:** enterprise value is considered to have a severe risk of material financial impacts driven by ESG factors

Note that because ESG risks materialize at an unknown time in the future and depend on a variety of unpredictable conditions, no predictions on financial or share price impacts, or on the time horizon of such impacts, are intended or implied by these risk categories.

ESG Risk Rating Score (Unmanaged Risk Score)

The company's final score in the **ESG Risk Rating**; it applies the concept of **risk decomposition** to derive the level of **unmanaged risk** for a company.

Event Category

Sustainalytics categorizes events that have resulted in negative ESG impacts into five event categories: Category 1 (low impact); Category 2 (moderate impact); Category 3 (significant impact); Category 4 (high impact); and Category 5 (severe impact).

Event Indicator

An indicator that provides a signal about a potential failure of management through involvement in controversies.

Excess Exposure

The difference between the company's **exposure** and its **subindustry** exposure.

Exposure

A company or **subindustry's** sensitivity or vulnerability to ESG risks.

Idiosyncratic Issue

An issue that was not deemed material at the **subindustry** level during the **consultation process** but becomes a **material ESG issue** for a company based on the occurrence of a Category 4 or 5 event.

Manageable Risk

Material ESG risk that can be influenced and managed through suitable policies, programmes and initiatives.

Managed Risk

Material ESG Risk that has been managed by a company through suitable policies, programmes and initiatives.

Management

A company's handling of ESG risks.

Management Gap

Refers to the difference between what a company has managed and what a company could possibly manage. It indicates how far the company's performance is from best practice.

Management Indicator

An indicator that provides a signal about a company's management of an ESG issue through policies, programmes or quantitative performance.

Material ESG Issue

A core building block of the **ESG Risk Rating**. An ESG issue is considered to be material within the rating if it is likely to have a significant effect on the enterprise value of a typical company within a given **subindustry**.

Subindustry

Subindustries are defined as part of Sustainalytics' own classification system.

Unmanageable Risk

Material ESG Risk inherent from the intrinsic nature of the products or services of a company and/or the nature of a company's business, which cannot be managed by the company if the company continues to offer the same type of products or services and remains in the same line of business.

Unmanaged Risk

Material ESG risk that has not been managed by a company, and includes two types of risk: **unmanageable risk**, as well as risks that could be managed by a company through suitable initiatives, but which may not yet be managed (**management gap**).

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